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PROGRAMME BUDGET FOR THE BIENNIUM 1996-1997

Standards of accommodation for air travel

Report of the Secretary-General

I. INTRODUCTION

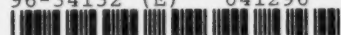
1. In its most recent report on this subject (A/49/952), the Advisory Committee on Administrative and Budgetary Questions raised a number of questions. Some of them, related to the issue of exceptions to the standards of accommodation for air travel, were addressed in the report of the Secretary-General of 8 November 1995 (A/C.5/50/22) and issues related to the lump-sum option have been addressed in his report of 28 December 1995 (A/C.5/50/50).

2. The present report addresses other concerns raised by the Advisory Committee with respect to the nine-hour threshold, the definition of the standards of accommodation on aircraft and innovative techniques employed by the Secretariat for procuring air services. It should also be noted that a number of related issues are addressed in the Secretary-General's comments on the report of the Joint Inspection Unit (A/50/692) entitled "Travel in the United Nations: issues of efficiency and cost savings".¹

II. NINE-HOUR THRESHOLD

3. The Advisory Committee on Administrative and Budgetary Questions expressed the view in paragraph 3 of its report (A/49/952) that the nine-hour threshold should be reviewed by the Secretary-General in the light of all relevant factors and that the results of the review, together with the related proposals, should be reported to the General Assembly.

4. The standards of accommodation are established by the Secretary-General on the basis of guidance provided by the General Assembly. They are also reviewed



jointly with other common system organizations in the framework of the Administrative Committee on Coordination through its Consultative Committees on Administrative Questions.

5. The 1994 report of the Secretary-General (A/C.5/48/83) provided a review of travel and related entitlements for staff members of the United Nations. It recalled that for all eligible staff of the Secretariat below the level of Assistant Secretary-General, the established basic standard of accommodation for air travel was economy class at the least costly airfare structure regularly available and that only for flights of more than nine hours was accommodation provided in the class immediately below first class. Under- and Assistant Secretaries-General were accommodated in the class immediately below first class, irrespective of the duration of a particular flight.²

6. The nine-hour threshold was introduced in the United Nations Secretariat for staff below the Assistant Secretary-General level at the beginning of the 1960s. Before then, the normal air travel standard for official business was first class. By 1963, five organizations of the common system used economy class for flights of nine hours or less, in the case of staff up to a certain level, but that level varied among the organizations.³

7. In 1977, the General Assembly, in its resolution 32/198 of 21 December 1977, decided that the principle of seeking the most economical airfare structures should be implemented through, inter alia, adoption of the nine-hour threshold to limit access to first-class travel by other persons previously entitled to first-class travel under resolutions 2245 (XXI) of 20 December 1966 and 3198 (XXVIII) of 18 December 1973, including staff at the Under- and Assistant Secretary-General levels.

8. In the 1980s, the deregulation of the air travel industry, accompanied by the erosion of the system of universal fare structures and the introduction of three cabin configurations (first-class, business/club and tourist accommodations) complicated the task of the organizations in setting one uniform standard. The airlines offering three classes often provided a lower standard of service to passengers with excursion or economy tickets than that of the former undifferentiated economy class, thus making travel under the economy fares of those airlines more wearing physically. As noted in the 1982 report of the Joint Inspection Unit (A/37/357), the downgrading of economy to tourist class led organizations of the United Nations system to consider collectively the possibility of using the class immediately below first class for travellers on official business.

9. In that context, the organizations of the common system addressed the problem of determining at what point the duration of the journey began seriously to affect the traveller. The view, widely shared by most of the organizations was that any journey of over four or five hours' duration would give rise to fatigue sufficient to warrant special action.⁴ The majority of members of the Administrative Committee on Coordination agreed that business-class accommodation was desirable for journeys of a duration (or involving a leg) equal to that of a crossing of the North Atlantic.⁵ The Joint Inspection Unit also recognized the validity of granting, depending on the flight's duration, a

business-class standard of accommodation in order to enhance the capacity of the staff member to carry out duties on arrival (ibid., para. 23).

10. In paragraph 6 of its resolution 37/241 of 21 December 1982, the General Assembly reaffirmed that travel expenses should be limited to the least costly airfare structure, taking into account the nature of the mission and the conditions of travel. In view of that resolution and taking into account deliberations within the common system and recommendations of the Joint Inspection Unit, the Secretary-General, following a review of the standards of accommodation of air travel in 1983, decided to retain economy class at the least costly airfare structure regularly available as the basic standard of accommodation. For flights of over nine hours' duration, the standard of accommodation would be the class immediately below first class. The standard of air travel for Under- and Assistant Secretaries-General was established as the class immediately below first class for flights of a duration of less than nine hours. For flights in excess of nine hours the entitlement of the two latter categories of staff was maintained as first class.⁶

11. Five years later, in its resolution 42/214 of 21 December 1987, the General Assembly precluded first-class travel for all individuals except the Secretary-General. Reflecting this amendment, the Secretary-General decided that Under- and Assistant Secretaries-General should be provided accommodation in the class immediately below first class, irrespective of the duration of journey. This standard, along with the arrangements for staff members below the Assistant Secretary-General level, which remained unchanged, is currently in effect.⁷

12. Reviewing further the issue of the duration of journey, Medical Directors of the organizations of the common system concluded, at their meeting in 1989, that the health implications of travel on long flights in economy class, which involves a combination of cramped conditions, limited leg room, inaction and dehydration, justified the business-class standard for all air travel of five hours or more.⁸ Addressing this conclusion, the Consultative Committee on Administrative Questions considered that the issue went beyond purely medical concerns and that the common system organizations had an obligation, as good employers, to provide adequate accommodation for their staff travelling long distances by air, which, inter alia, would enable them to carry out their functions efficiently on arrival. The Committee concluded that, at the very least, there should be no worsening in the travel arrangements that existed.⁹

13. It should be recalled that in paragraphs 28 to 30 of his latest review of travel entitlements (A/C.5/48/83), the Secretary-General concluded that the travel standards applicable to staff members of the United Nations were lower than those accorded to officials of comparable rank in other organizations within the United Nations system and that, in general, it appeared that Member States tended to accord a higher standard of accommodation to their high-level officials than the United Nations. The review also noted a prevalent practice by national airlines of Member States to upgrade officials of their countries routinely to a higher class of service than that authorized by the official standards of accommodation.

14. In considering the issue of the nine-hour threshold, the Secretary-General is mindful of the fact that for United Nations staff members air travel is an

official function and not a matter of choice. A large amount of travel takes place over weekends and at night and much of it is undertaken to destinations where strenuous conditions prevail. Given a noticeable decline in recent years in the quality of economy-class service as a result of such factors as higher load factors, tighter seating arrangements and a noisy environment, it is difficult for a passenger to rest or work in the aircraft. After a long flight under such conditions, the ability of staff members to accomplish efficiently the tasks assigned becomes questionable. These considerations are not conducive to raising the nine-hour threshold, especially in the light of the earlier observation that such an action would bring about only marginal financial benefits (*ibid.*, para. 33). The Secretary-General believes that the nine-hour threshold achieves an optimal balance between savings to the Organization and efficiency considerations, allowing staff to perform their duties on arrival at their destination by being in a physical condition conducive to work.

15. Bearing in mind the desirability of harmonizing travel standards throughout the United Nations common system, the Secretary-General recommends that the matter be referred to the International Civil Service Commission for review and recommendations, under article 11 (b) of its statute, at its forty-fifth or forty-sixth session, scheduled for next year.

III. DEFINITION OF STANDARDS OF ACCOMMODATION

16. The Advisory Committee recommended that the Secretary-General identify more objective criteria for determining the standards of accommodation for air travel instead of the currently used "class immediately below first class". The term "immediately below first class" was introduced by the General Assembly in its resolution 42/214 because of the increased availability of business class as a third class of service on international flights. By using the term "class immediately below first class", the Advisory Committee wished to ensure that staff members would travel in economy class rather than first class on flights with only first- and economy-class service.

17. All but one of the organizations of the common system use the same term as the United Nations to define business class, that is, "class of service immediately below first class". One organization simply uses the term "business class".

18. The class of service in question could be defined either as being lower than first class or as the class of service immediately above economy class. The latter definition, however, is less exact, as it would automatically allow travel in first class on flights with no intermediate class of service between economy and first. For this reason, the definition currently in use appears to be more precise and practical.

IV. INNOVATIVE TECHNIQUES FOR PROCURING AIR SERVICES

19. The Advisory Committee also requested the Secretary-General to consider the application of various new techniques of dealing with air services, such as pair fares. The Secretariat has long explored ways to reduce travel costs, including

the establishment of city pair fares for frequently travelled routes through competitive bidding. As this option was proven ineffective, the United Nations made vigorous efforts to reduce travel costs by other means.

20. One of the main difficulties is that airlines require minimum flight guarantees and exclusive use of the airline winning the bids on the route. Minimum flight guarantees, however, do not dovetail with the patterns of United Nations travel to specific geographical areas, which depend widely on the scope of United Nations activities. For example, with the winding up of some peacekeeping operations, the volume of United Nations travel to those mission areas drops off abruptly and significantly. Had the Secretariat put such routes out to bid, the minimum guarantee of flights would not have been met and penalties would have been imposed.

21. Another obstacle is that many of the Secretariat's most frequently travelled city pairs are not serviced by any given carrier on a daily basis. With travel requirements often occurring at short notice, the United Nations has to be able to transport travellers to their destination on any given day utilizing whichever carrier has available seats on that route. Tickets purchased in bulk from an exclusive carrier, however, are not transferable to another carrier if travel plans change. Since about 30 per cent of all tickets issued for United Nations travellers have to be changed en route because of changes in travel plans, new tickets would have to be bought locally, invalidating the original non-endorsable tickets. Experience has proved that the use of non-endorsable tickets has frequently led to travellers' being stranded for several days in locations that were not serviced daily by the same airline.

22. Putting city pairs out to bid is also hampered by limited seating capacity and insufficient competition on most transatlantic routes of interest to the United Nations. For example, two of the top city pairs of travel originating from Headquarters - Geneva and Vienna - currently have non-stop service with only one airplane per day, which is code-shared by two airlines. The load factors for both daily flights have been extremely high and flights are frequently sold out.

23. To reduce ticket prices further without putting specific routes out to bid and awarding minimum flight guarantees, the Secretariat has obtained, through preferred carrier agreements with major airlines, system-wide volume-based rebates in the range of 8 to 12 per cent of flown revenue. To date, this has resulted in reimbursements by the respective airlines to the United Nations of almost \$6 million. The Secretariat has also negotiated additional special agreements for the majority of its top destinations in Europe, Asia and Africa. As a result, discounts of up to 47 per cent on the normally applicable lowest economy-class fare and up to 51 per cent for business-class fares were obtained. The resulting ticket prices are close to those achieved through bulk purchase by the Governments of large Member States. In this connection, it should be noted that Member States have not assisted the Secretariat in its previous attempts to obtain hotel and airfare rates negotiated by national Governments for their own travellers.

24. According to an expert on negotiated rates recently consulted by the Secretariat as part of ongoing efforts to enhance the efficiency of international travel arrangements, most of the volume-based agreements concluded by the United Nations with major carriers are considered to be the best in the travel industry for the volume and type of travel involved. The Secretariat will continue to explore all possible means to reduce air travel expenses while at the same time ensuring that its travellers are guaranteed expedient and reliable transportation.

Notes

¹ A/50/692/Add.1, in particular paras. 6 and 7, 11-17 and 27-32.

² ST/AI/249/Rev.3 of 29 March 1989.

³ Report of the twenty-third session of the Consultative Committee on Administrative Questions (COORDINATION/R.391), 11 April 1962, paras. 67-69.

⁴ Note by the Secretary of the Administrative Committee on Coordination on standards of travel (ACC/1981/PER/11), 3 June 1981, para. 21.

⁵ Report of the fifty-sixth session of the Consultative Committee on Administrative Questions (Financial and Budgetary Questions) (ACC/1982/6), 12 March 1982, paras. 26-28.

⁶ ST/AI/249/Rev.2 of 15 August 1983.

⁷ Note by the secretariat of the Consultative Committee on Administrative Questions on matters arising out of the report of the meeting of the Medical Directors of the United Nations system (CCAQ(PER)/72/CRP.3), 26 February 1990, pp. 3 and 4.

⁸ Report of the seventy-second session of the Consultative Committee on Administrative Questions (Personnel and General Administrative Questions) (ACC/1990/4), 29 March 1990, paras. 133 and 134.
